Core Action Descriptions re: Water Transfers

April 1, 1996

CORE ACTION: Ease Institutional Barriers ~~Obstacles~~ to Facilitate Water Transfers

Completing a water transfer is a complicated transaction and certain institutional barriers could be eased to facilitate water transfers to contribute to water supply predictability. ~~Only holders of pre-1914 rights may transfer water without seeking approval from the State Water Resources Control Board. Whether the water right is appropriative or riparian, or if the water is obtained pursuant to a water supply contract, also affects whether the water is transferable and what must be done to transfer it. Different sections of the California Water Code are applicable according to which type of water transfer is being considered. In 1992, as a result of changes to the law designed to facilitate the State Drought Water Bank in 1991, the Governor stated that certain criteria must be met in developing a fair and effective water transfer policy. The CVPIA also contains provisions intended to increase the use of water transfers.~~ Numerous State and federal statutes govern water transfers. Differing procedures apply to transfers depending upon the source of the water, the type of the underlying water right, and the destination of the transferred water which can lead to a time-consuming process.

CORE LEVEL OF IMPLEMENTATION: At a core level, CALFED would attempt to analyze the existing transfer requirements, and coordinate CALFED agencies' statutory and regulatory responsibilities in order to reduce the complexity and time involved in reviewing proposed transfers. In addition, CALFED will review the existing institutions and statutes to determine whether a less complex and time-consuming review and approval process is necessary in achieving a substantial increase in the contribution of water transfers to meet the program objectives. If so, CALFED will promote legislative, and or administrative changes to reflect these improvements. ~~At a core level, CALFED would attempt to promote and coordinate easing those obstacles where modification is judged to be most feasible and the highest priority in achieving a substantial increase in the contribution of water transfers to water supply predictability. Modifications would emphasize cooperative partnerships between sellers and buyers.~~

CORE ACTION: Improve Planning and Coordination Procedures for ~~Water Transfer Permitting~~ Water Transfers

Improved planning and coordination of short- and long-term water transfers during water resources planning efforts can result in increased use of water transfers. Additional improvements such as consolidating anticipated transfers as they are considered for permitting to effectively address cumulative impacts can result in more efficient use of water transfers. Also, providing for better understanding of the hydrological linkages between groundwater and surface water could facilitate coordination efforts with potential conjunctive use programs. ~~Permitting of water transfers requires compliance with numerous requirements, depending on the type of~~

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~~transfer and the source and destination of the transferred water. These requirements may include compliance with the California Environmental Quality Act, and with rules of the state and federal water projects, the State Water Resources Control Board, state and federal resource agencies, and local agencies.~~ Both the Bureau of Reclamation and Department of Water Resources have prepared guidebooks ~~to assist permitting of water transfers~~ that explain the water transfer process. ~~Additional improvements are possible (e.g., consolidating anticipated transfers as they are considered for permitting to effectively address cumulative impacts). Also, providing for better understanding of the hydrological linkages between groundwater and surface water could facilitate permitting of transfers.~~

CORE LEVEL OF IMPLEMENTATION: ~~At a core level of implementation, CALFED could promote and coordinate the implementation of those procedural improvements for permitting that would achieve the most cost-effective increases in the contribution of water transfers to water supply predictability.~~ At a core level of implementation, CALFED would analyze the existing water management planning efforts in order to increase the efficient use of water transfers. CALFED could promote and coordinate the implementation of those planning improvements that would achieve the most cost-effective increases in the contribution of water transfers to meeting the program objectives. Improvements would emphasize cooperative partnerships between sellers and buyers that are free from third-party impacts.

CORE ACTION: ~~Coordinate Diversion and Conveyance of Water Transfers~~ Improve Operational Procedures to Facilitate Water Transfers

Water transfers often require diversion and conveyance of transferred water through state and/or federal water project facilities as well as facilities of local water management agencies. The physical diversion and conveyance of the transferred water could be improved through better coordination among the operators of these facilities to better use physical capacities, when available, of the facilities. For example, a central coordination point could be established to arrange the use of unused capacity and to coordinate the movement of transferred water through the various facilities. A CALFED core action might be to promote, develop, and fund the establishment of procedures to coordinate diversion and conveyance operations for water transfers. Such a core action also could include the development of criteria to guide the use of the existing Delta export pumps as a joint point of diversion for the SWP and CVP.

CORE LEVEL OF IMPLEMENTATION: At a core level, CALFED would ~~undertake activities to achieve more efficient~~ analyze the operational procedures to increase the coordination of diversion and conveyance of water transfers. CALFED could promote more efficient coordination that would ~~to~~ better use existing physical capacities in moving transferred water to achieve the highest priority and most cost-effective increases in the contribution of water transfers to ~~water supply predictability~~ meeting the program objectives. For example, the highest priority coordination would most likely be between the operators of the state water projects and those of federal water projects.

CORE ACTION: Establish a Water Transfer Brokering Mechanism or Institution

The existing State Drought Water Bank, for which the California Department of Water Resources serves as the transaction principal, applies only in drought situations and to State Water Project contractors. A brokerage mechanism or clearinghouse could be set up to function permanently and to be available to link or broker transactions between all potential sellers and buyers of water. Legislation continues to be introduced with the hopes of removing impediments to such transfers by establishing mechanisms for market-based water transfers. A CALFED core action might be to promote and coordinate establishment of such mechanisms.

CORE LEVEL OF IMPLEMENTATION: At a core level, CALFED would analyze potential water brokering mechanisms to increase the efficient use of available resources. CALFED could promote implementation of the ~~A core level of implementation for this core action would focus on~~ the most feasible mechanisms for brokerage of water transfers to meeting the program objectives.

CORE ACTION: Manage Water Resources Data and Information for the Bay-Delta System

Water resources data and information management consists of assembling, compiling, and interpreting accurate and appropriate data to support management decisions for Bay-Delta water resources and aquatic habitats. Data are needed on meteorologic and hydrologic conditions, reservoir operations, diversions and exports, water use rates and patterns, and groundwater levels and pumping. Data for appropriate resource management are also needed on water quality, habitat conditions, and movements and populations of organisms that depend on specific hydrologic conditions. A CALFED core action might be to promote, coordinate, and fund the development and establishment of ongoing procedures and protocols for integrated water resource data management. The CVPIA includes provisions to develop a comprehensive assessment monitoring program for fish resources and ecological and hydrological models and data for system operations. A CALFED core action could consist of funding the state's share of the cost for these activities.

CORE LEVEL OF IMPLEMENTATION: A core level of implementation might be to fund the state's 25% share of costs for the CVPIA activities to develop and establish water resources data and models for water system management.

CORE ACTION: Encourage Long-Term Drought Contingency Planning

Contingency planning for future long-term droughts consists of developing plans to accommodate future water shortages. Such planning may encompass activities to temporarily or permanently reduce demands for water and activities to develop emergency supplies of water. Contingency plans can be developed to accommodate various durations and intensities of drought. A CALFED core action could consist of promoting and funding the development of such plans by local water management agencies.

CORE LEVEL OF IMPLEMENTATION: A core level of implementation might be for CALFED to fund long-term drought contingency planning through cooperative partnerships with local water districts whose water supply reliability could substantially benefit from such planning.

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